

Air purification equipment can qualify as a pollution control facility if its primary purpose is to treat and reduce air pollutants. The seller of pollution control equipment must obtain a signed statement from the purchaser certifying the equipment will be used as a pollution control facility in order for the seller to be relieved of the duty to collect and remit tax on the sale. See 86 Ill. Adm. Code Section 130.335(a) (This is a GIL).

August 28, 2000

Dear Xxxxx:

This is in response to your letter dated May 2, 2000. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120 subsections (b) and (c), which can be found at <http://www.revenue.state.il.us/legalinformation/regs/part1200>.

In your letter, you have stated and made inquiry as follows:

My name is PERSON, and I have just started a new business called BUSINESS. I have realized that people and auto body shops do not wish to pay sales tax (####) for air-purification machines and/or spray booths. The last auto body shop I was in contact with has given me a copy of a letter about pollution control facilities (C.H.I. Sec. 130.335); I have enclosed a copy for you.

When I called your office, on May 2, 2000, Marie informed me that I should write a letter requesting a ruling regarding this matter. I truly want to do what is in the best interest of the community by supplying these items at a low cost. I believe more people and auto body shops would purchase air-purifiers and spray booths if there were a sales tax break.

Please inform me of your ruling by letter to my office; your prompt attention would be greatly appreciated.

Due to the limited amount of information contained in your letter, we may only provide general information with regards to the pollution control facilities sales tax exemption. Included with this letter is a copy of the 86 Ill. Adm. Code 130.335, the Department's rules regarding the sales tax exemption for pollution control facilities.

The pollution control facilities sales tax exemption is available for "any system, method, construction, device or appliance appurtenant thereto sold or used or intended for the primary purpose of eliminating, preventing, or reducing air and water pollution as the term 'pollution' is defined in the Environmental Protection Act (415 ILCS 5/1 et seq.), or for the primary purpose of treating, pretreating, modifying or disposing of any potential solid, liquid, gaseous pollutant which if released without such treatment, pretreatment, modification or disposal might be harmful, detrimental or offensive to human, plant or animal life, or to property". See, 86 Ill. Adm. Code 130.335(a).

August 28, 2000

The exemption also extends to replacement parts for the pollution control equipment. The exemption does not extend, however, to chemicals used in such equipment, to fuel used in operating such equipment, or any other tangible personal property used in connection with the equipment, but which is not an integral part of the pollution control equipment. 86 Ill. Adm. Code 130.335(a).

We emphasize that the primary purpose of the system, method, construction or device sold must be for the elimination, removal or prevention of pollutants in the air or water in order to qualify for the sales tax exemption. Air purification equipment can qualify as a pollution control facility, therefore, if its primary purpose is to treat and reduce air pollutants. The seller of pollution control equipment must obtain a signed statement from the purchaser certifying the equipment will be used as a pollution control facility in order for the seller to be relieved of the duty to collect and remit tax on the sale. These certification requirements are found in subsection (a) of Section 130.335.

I hope this information is helpful. The Department of Revenue maintains a website, which can be accessed at www.revenue.state.il.us. If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of Section 1200.110(b).

Sincerely,

Dana Deen Kinion
Associate Counsel

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